



Notice of Funding Availability
The 2007 GOAL Program
August 21, 2006

GREATER OPPORTUNITIES FOR AFFORDABLE LIVING
Funding Available Under
Low-Income Housing Tax Credits
HOME Investment Partnerships Program
Senior Citizens Housing Development Fund

Download Application Materials at
<http://www.ahfc.us>

Application Deadline: 4:30 p.m. Anchorage Local Time,
October 31st, 2006

For more information, contact:

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Alaska Housing Finance Corporation
PO Box 101020
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907-330-8277

ALASKA HOUSING FINANCE CORPORATION

Greater Opportunities for Affordable Living (GOAL)

APPLICATION INSTRUCTIONS

A. GENERAL INFORMATION	2
1. PURPOSE AND GENERAL APPLICABLE PROVISIONS	2
2. FUNDING AVAILABLE.....	3
3. ELIGIBLE APPLICANTS	4
4. ELIGIBLE PROJECTS.....	4
5. DEADLINE FOR APPLICATION SUBMISSION.....	4
6. NUMBER OF COPIES AND MAILING ADDRESS	5
7. PROPOSAL COSTS	5
8. ACCEPTANCE OF TERMS.....	5
9. MISSTATEMENTS.....	6
10. MINIMUM REQUIRED INSPECTION STANDARDS.....	7
11. CONSTRUCTION SIGNAGE.....	8
B. APPLICATION REQUIREMENTS	8
1. APPLICATION FORMS	8
2. REQUIRED APPLICATION MATERIAL	8
C. EVALUATION CRITERIA.....	17
D. SELECTION OF PROPOSALS TO BE FUNDED & FUNDING LEVELS	17
E. REQUIRED APPLICATION SUBMISSION FORMAT	18
F. MARKET STUDY REQUIREMENTS.....	20
G. PUBLIC INTEREST DETERMINATION.....	21
RETURN THIS CHECKLIST WITH YOUR RESPONSE TO THIS NOFA	22

A. GENERAL INFORMATION

1. Purpose and General Applicable Provisions

Under this Notice of Funding Availability (NOFA), Alaska Housing Finance Corporation (AHFC) provide grants, zero-interest rate loans, and/or federal tax credits to successful respondents who will acquire, rehabilitate, or construct housing, in accordance with requirements established at 24 CFR Part 92 (HOME Investment Partnerships Program [HOME]); A.S. 18.56.800 - 810, as implemented by 15 AAC 154.010 - 154.120 (Senior Citizen Housing Development Fund [SCHDF]); Title 26 U.S.C. Section 42 (Low Income Housing Tax Credit Program [LIHTC]), and regulation, policy or procedure as applicable, based on the type of funds/tax credits received; Special Needs Housing Grant (SNHG) development funds; and Denali Commission Elder Housing (DCEH) funds.

The purpose of AHFC's Greater Opportunities for Affordable Living (GOAL) program, is to expand the supply of decent, safe and sanitary, and affordable housing for occupancy by lower-income persons and families, and senior citizens.

Assistance provided by AHFC for this purpose will be in three different methods: federal tax credits (LIHTC) which are generally sold by the recipient to derive project equity capital; conditional grants (HOME, SCHDF, SNHG and DCEH); and/or zero-interest rate loans (HOME). Grants are available only to Municipalities and qualifying non-profit organizations.

AHFC HOME funds may not be used within the Municipality of Anchorage (MOA). The Municipality of Anchorage receives separate HOME program funds and administers those funds in accordance with its own administrative plan.

Attention Applicants for Assisted Living Facilities: Due to the federal rules governing the HOME and LIHTC programs, operating an assisted living project with these funds is very complex. Services must be voluntary and separate leases for services and rent must be maintained. AHFC does not recommend using either of these programs for funding Assisted Living Facilities unless the applicant is very experienced in operating assisted living and using LIHTC or HOME.

The amount of funding received under the GOAL program may not exceed the amount necessary, as determined by AHFC, to result in a financially feasible development ("subsidy layering review"). Factors to be considered in determining the amount of "necessary" GOAL funds including other funding sources committed, and any available loan program funds which could reasonably be expected to support the project based on anticipated revenue and expenses. AHFC reserves the right to adjust the applicant's projected revenue and expenses based on an underwriting review completed by AHFC.

If you have any questions regarding this NOFA package, including Application Instructions or Program Requirements, please refer to the AHFC web page (www.ahfc.us) or call Roberta Landgren at (907) 330-8277. If outside Anchorage, you

may use AHFC’s toll free number at 1-800-478-2432. Additionally, please contact Roberta Landgren (330-8277) regarding the application workshops which AHFC will conduct in August and September 2006, as well as technical assistance available from AHFC staff to assist you in applying for funding under this NOFA.

2. Funding Available

The following amount of funding is available through this NOFA.

AHFC LIHTC’s	\$	2,125,000	*
AHFC HOME (general) Funds	\$	1,695,939	
AHFC HOME CHDO Funds	\$	450,172	**
AHFC SCHDF (development)	\$	2,500,000	
Denali Commission Elder	\$	2,866,546	

* The nature of the LIHTC Program results in this amount being received each year for a ten year period, hence the equivalent of **\$21,250,000**. This amount can then be sold to investors (“limited partners”), resulting in tax credit sale proceeds used as equity capital necessary to fund the applicant’s proposed development. Recently, successful tax credit recipients have been generally able to obtain \$0.85 to \$0.90 per tax credit dollar. In total, tax credit sales resulting from credits awarded through this NOFA are expected to yield from \$17.8 – \$19.0 million in equity capital for low-income housing.

** These HOME funds are for projects outside of Anchorage. Only one project per Alaska Census Area or Borough will be awarded. The maximum amount of funding that will be provided is \$40,000 per unit.

Senior project applicants should note that the use of HOME and/or Low Income Housing Tax Credits requires that all, or a portion of, the units be occupied by lower income seniors at restricted rent levels. Senior projects that utilize SCHDF program funds and/or Denali Commission funds exclusively do not require such occupancy and rent restrictions. However, the amount of subsidy will be based on an assumption that the rents are equivalent to HUD’s Fair Market Rent adjusted by area and number of bedrooms.

All applicants should note that the definition of “senior household” under the SCHDF is a related household with at least one member age 60 years or older. Projects funded by federal programs that define “seniors” differently may qualify so long as at least eighty percent of the units in the project are occupied exclusively by households who meet the AHFC definition of “senior household” (see definitions section in GOAL Program Policy and Procedures Manual).

Applicants must specifically identify in the application the source and amount of HOME, SCHDF, DCEH or LIHTC funds being requested as a “first choice.” Applicants may also indicate “second choice” sources of funds it is willing to accept if the first choice is not available. The only source of funding for homeownership projects is HOME.

Each funding source is governed by different local, state or federal regulation, and may

contain different and significant operational and project development requirements. By applying for GOAL funds, the applicant commits to following all applicable requirements. All applicants shall thoroughly review the "*GOAL Policies and Procedures Manual*," available from AHFC, for development and operational requirements which are applicable to each funding source.

3. Eligible Applicants

APPLICANT TYPE	FUNDING TYPE			
	HOME Rental*	HOME Homeownership*	SCHDF DCEH	LIHTC
501(c)(3) or (4) Non-Profit Corporations	X		X	X
Community Land Trusts, USDA 523 Program Participants and Habitat for Humanity Affiliates	X	X	X	X
Municipalities	X		X	X
Regional Housing Authorities	X		X	X
Private For-Profit Developers/Organizations	X (0% interest loans only)			X

Use of HOME funds by Religious Organizations: Organizations that are religious or faith-based are eligible, on the same basis as any other organization to apply for HOME funds. Organizations that receive HOME funding may not engage in inherently religious activities, such as worship, religious instruction or proselytization, with HOME grant/loan funds. An organization that participates in the HOME program shall not, in providing program assistance, discriminate against a program beneficiary on the basis of region or religious belief. In addition, HOME funds may not be used for the acquisition, construction, or rehabilitation of structures to the extent that those structures are used for inherently religious activities. All HOME funds provided to faith-based organization must be used in accordance with HUD regulations 24 CFR 92.257.

4. Eligible Projects

All projects must be eligible in accordance with the most recent version of the *GOAL Program Policy and Procedures*. A copy of the GOAL Program Policy and Procedures document is available on AHFC's website. **It is critical that all applicants read this document in order to propose projects that will qualify for GOAL funding.**

5. Deadline for Application Submission

Applications must be physically received by the Alaska Housing Finance Corporation (at the address below) no later than 4:30 p.m. Anchorage Local Time on Tuesday, October

31, 2006. Applications may NOT be submitted via telefax or e-mail. The official time for application submitted is that of the date/time clock in the main reception area of AHFC's headquarters building at 4300 Boniface Parkway in Anchorage. Applications received after the deadline or delivered to an incorrect AHFC location before the deadline will NOT be considered.

6. Number of Copies and Mailing Address

Applicants must send an original AND four (4) copies of the proposal to:

Mail

Alaska Housing Finance Corporation
Attention: Roberta Landgren
PO Box 101020
Anchorage, AK 99510-1020

Hand Delivery

Alaska Housing Finance Corporation
Attention: Roberta Landgren
4300 Boniface Parkway
Anchorage, AK 99504

7. Proposal Costs

All costs of responding to this NOFA are the responsibility of the applicant.

8. Acceptance of Terms

By submitting an application, the applicant accepts all terms, conditions and requirements of this NOFA, and those contained in AHFC regulations, HUD regulations and Title 26 U.S.C. Section 42 as they relate to the HOME, LIHTC and SCHDF programs. The applicant's proposal will become part of the grant, loan, or reservation agreement, whichever may be applicable, in the event the applicant is awarded program funds. The applicant will be bound by what is in the proposal, unless otherwise approved in writing by AHFC.

Omission within this NOFA package of provisions found in federal and state regulations or terms and conditions of AHFC's grant or loan agreement, or LIHTC reservation agreement does not nullify or in any way relieve the applicant or AHFC of responsibility for complying with all applicable Federal and/or State Program requirements.

Proposals and other materials submitted in response to this NOFA become the property of AHFC and may be returned only at AHFC's discretion. Applications are public documents and may be inspected or copied by anyone after a Notice of Intent to Award Funds has been issued by AHFC. Financial statements included in the application may be considered public information unless a specific written request to restrict distribution is made by the applicant.

For Those Applicants Applying for or Willing to Accept DCEH Funding:

Many factors contribute to the application of state and federal laws and regulations in the acquisition, rehabilitation, and construction of housing with public funds. The following is a list of some rules which may apply. It is the responsibility of the applicant to seek advice as

to the applicability of these rules or any others unlisted as to their relevance in the intended use of these grant funds. Failure to adhere to federal and state laws and regulations will be the sole legal and financial responsibility of the grantee.

1. §§523 and 527 of the Public Health Service Act of 1912
2. Contract Work Hours and Safety Standards Act
3. Copeland Act
4. Flood Disaster Protection Act of 1973
5. Provisions of the Davis-Bacon Act including Little Davis-Bacon Act (AS 36.05.010, AS 36.95.010)
6. Section 504 of the Rehabilitation Act of 1973 (29 USC 794), implementing regulations 24 CFR Part 8.
7. Single Audit Act Amendments of 1996 and OMB Circular No. A-133
8. State law does not allow the use of state funds in a project that is constructed with a preference in contracting based on the ethnic origin of the bidder or owner of the bidding firm.
9. The Age Discrimination Act of 1975
10. The Americans with Disabilities Act
11. The Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970
12. The Drug Abuse Office and Treatment Act of 1972
13. The Hatch Act
14. The Fair Housing Act
15. The Intergovernmental Personnel Act of 1970B.
16. The Lead-Based Paint Poisoning Prevention Act
17. Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970
18. Title VI of the Civil Rights Act of 1964
19. Title VIII of the Civil Rights Act of 1968
20. Title IX of the Education Amendments of 1972

Denali Commission Policies

Applicants are required to meet the following Denali Commission policies and regulations:

1. Denali Commission Investment Policy
2. Resolution 01-15, Sustainability for Denali Commission Funded Infrastructure Projects
3. Community Planning Requirements for 2005.
4. Denali Commission Elder Housing Grant funded projects are required to post signage, when completed, that acknowledges the Denali Commission's support for the project.

[For more information on these policies see www.denali.gov](http://www.denali.gov)

9. Misstatements

If AHFC determines that an applicant for, or recipient of, GOAL funds or LIHTC's under the GOAL program has made a material misstatement relating to the recipient's application for, or administration of, a grant, loan, or tax credits, AHFC will, at its discretion, remove the application from any further funding consideration, or in the event that GOAL funds or LIHTC's have already been received, require the recipient to repay the funds or LIHTC's (tax credits issued by AHFC will be rescinded) to AHFC, together with accrued interest on the amount of the funds received calculated at the highest rate allowed by law from the date of funds disbursement by AHFC.

10. Minimum Required Inspection Standards

Housing that is constructed or rehabilitated must meet each of the following minimum property standards:

Newly constructed or rehabilitated housing shall meet all applicable local building codes, the [State's Building Code](#) (AS 18.56.300) as implemented by 15 AAC 150.030 and [Building Energy Efficiency Standard](#) (AS 46.11.040) as implemented by 15 AAC 155.010.

If the [Summary of Building Inspection](#) (PUR-102) form or [Building Energy Efficiency Standard Certification](#) (PUR-101) is required (per AS 18.56.300 or AS 46.11.040, respectively), the project must be inspected and the form must be executed by a qualified inspector(s) at various stages of project development. **It is the responsibility of the applicant to insure that the inspector selected is eligible to inspect the size of project proposed under state law.** *Do not* wait until the project is completed to obtain the necessary inspections and inspector signatures. This may result in requiring a destructive inspection. Instructions and forms are provided on AHFC's website: <http://www.ahfc.us> (see links to "construction" and "BEES" at bottom of the website page).

All residential buildings with four or more units must obtain a permit from the Alaska State Fire Marshall, as per AS 18.70.010-18.70.100. In communities that have accepted a deferral for full code enforcement, plans should be submitted directly to the city (Anchorage, Juneau, Fairbanks, Kenai, Seward, Kodiak, Sitka and Soldotna). For more information, contact the Alaska State Fire Marshall (<http://www.dps.state.ak.us/Fire/asp/>).

All applicable local codes, rehabilitation standards, ordinances, and zoning ordinances must be followed. Housing that is constructed or rehabilitated must be developed by a contractor with a **Residential Endorsement**.

All projects must meet the following minimum accessibility laws:

- Americans with Disabilities Act
- [Fair Housing Amendments Act of 1988](#)
- Alaska Statute AS 18.80.240
- Local Government Ordinances

11. Construction Signage

If, during project construction, any signage is erected on the construction site or affixed to any structures on the site referencing project financing, that signage should bear the AHFC logo. AHFC's logo is available upon request in electronic format.

B. APPLICATION REQUIREMENTS

1. Application Forms

All applications must be on forms provided by AHFC. Forms are available in both paper and disk format. Applicants are required to submit a hard copy of all forms, and an electronic copy of the Excel Workbook for the financial feasibility portion (Section IV) of the application. Applicants applying for assisted living projects must complete the *Assisted Living Model* in lieu of the feasibility worksheet provided. Both spreadsheets may be found on AHFC website under the GOAL section of the "download" page. Limitations on space and number of pages must be followed.

2. Required Application Material

(I) Threshold (T) Items

Each application proposal will be subject to a threshold review. An application which, in AHFC's sole opinion, has not met the required Threshold Criteria identified in this section and submitted all threshold materials, will be considered non-responsive, and may NOT be considered further in this Notice of Funding Availability cycle. AHFC reserves the right to request technical corrections to the application.

For all applicants, the Threshold Items include the following:

T-#1: An **original Application and four copies**, completed in its entirety, including all applicable sections.

NOTE: There is a specific application format that must be followed and is describe below in Section E.

Section I of the application specifies which sections are required for each type of funding requested and/or housing type being proposed. The applicant Section IV includes an Excel spreadsheet which should be included in the application both in hard copy and on disk.

T-#2: A **resolution of the applicant's governing body** authorizing the request for GOAL funds.

T-#3: **Evidence of legal organizational status**, i.e., non-profit designation letter from the Internal Revenue Service (non-profits and municipalities), authorizing legislation (Regional Housing Authorities), Certificate of

Incorporation issued by the Department of Commerce (for-profit corporations), partnership agreement (if available - partnerships).

If applying for the homeownership component under the HOME Program, the applicant must also provide evidence of their Community Housing Development Organization (CHDO Certificate/Annual Recertification Letter), USDA 523 Program Participant or Habitat Affiliate status.

The following potential applicants do not have to submit evidence of legal organizational status, only a current certificate of good standing from the state in which they are incorporated:

Alaska Community Development Corporation
Interior Weatherization, Inc.
Housing First, Inc.
City and Borough of Sitka
RurAL CAP
Kenai Peninsula Housing Initiative
Bristol Bay Housing Authority
Tlingit-Haida Housing Authority
Cook Inlet Housing Authority
Cordes Development, Inc.
Community Development Inc. of Idaho
Wasilla Area Seniors, Inc.
Fairbanks Neighborhood Housing Services, Inc.
Anchorage Neighborhood Housing Services, Inc.
Valley Residential Services, Inc.
Borealis Community Land Trust

- T-#4: **Evidence that the applicant has site control** at the time of application for funding, and that site control is maintained for a period of at least six months from the application deadline (site control must be maintained at least through April 1, 2007, or, for HOME applicants, until the projected date upon which the environmental review, including all required public comment periods, is completed, whichever is later). The site control agreement may condition site control to the award of GOAL funding. However, this condition may not terminate the site control agreement until at least January 1, 2007. **If applying for HOME funds, the site control agreement must stipulate that the purchase of the property is subject to a determination by AHFC on the desirability of the property for the project as a result of the completion of an environmental review in accordance with regulations found at 24 CFR Part 58.**

Required Evidence of Site Control:

- (a) Current deed (warranty deed, quitclaim deed, etc.) evidencing

- current title to the site; **or**
- (b) An executed earnest money agreement or option to purchase, or other similar legally binding document meeting the site control requirements of the above paragraph; **or**
 - (c) Executed lease that extends for at least 30 years beyond the start of the expected compliance period for this project.

If applying for homeownership funds, the site control requirement is waived. However, Section T-#7 C must provide evidence that there is an adequate supply of lots of that are suitable for affordable homeownership development. The lot(s) purchased must be able to meet the environmental review standards under 24 CFR Part 58 before any housing construction activities begin.

T-#5: Displacement and Relocation Assistance Requirements:

- (a) An ***Anti-Displacement and Relocation Assistance Plan*** for all applications which propose to undertake an activity which will involve acquisition or rehabilitation of a property occupied by a “person” other than the owner of that property (i.e., tenant, [including an individual, business or non-profit organization]),
- (b) For all applications which request HOME funds or that would be willing to accept HOME funds as an alternative to the requested funding source, a copy of the ***General Information Notice*** provided to, and acknowledged as being received (signature verifying receipt) by each “person” occupying a unit in the project on the date of application to AHFC.
- (c) Homeownership projects **do not** need to include an ***Anti-Displacement and Relocation Assistance Plan*** or ***General Information Notice***, unless they are planning to engage in demolition of already existing property structures. If the project will not include demolition, then a certification to this effect must be included in the application.

T-#6: Evidence demonstrating the ***Financial Feasibility*** of the proposed project. Rental development projects must show ***development feasibility*** (i.e., sources of development funds equal development costs) and ***operational feasibility*** (project revenue + other operating subsidies, if any, exceed in an acceptable amount the projects operating expenses and debt service requirements) must be evident. Rental development projects must complete the *Rental Development Analysis Workbook* (excel file). Homeownership applicants must complete the *Homeownership Development Analysis Workbook* (excel file) and assisted living applicants must complete the *Assisted Living Financial Model Workbook* (excel file).

All Workbooks must be submitted in both an electric and hard copy.

Minimally, this evidence should include:

- (a) Credible third party support of the projected development cost estimates. Examples include bids and/or cost estimates supplied by an architect, appraiser, materials supplier, etc. **If rehabilitation is proposed, a comprehensive property inspection report, completed by a qualified third party, i.e., residential inspector, engineer, code enforcement officer, etc, which identifies the property's comprehensive rehabilitation needs is required.**
- (b) Data which supports estimated project revenue (rent levels), vacancy rates, operating expenses, and debt carrying capability (not applicable for homeownership projects).
- (c) Support for the reliability of other proposed project funding sources have been confirmed, i.e. letters of funding commitment, preliminary loan review, evidence of application for other funding sources, etc.
- (d) Reasonable assurances that the project can be successfully implemented within the proposed time frame, and that substantive development activity will begin within 180 days of award of GOAL funds.

Substantive activities may include securing financing, completion of blueprints or plans, receipt of building permits, project construction, rehabilitation, or acquisition.

For homeownership projects there must be reasonable assurances that land acquisition and site preparation work will begin within 180 days from the award of GOAL funds. Furthermore, construction of housing must begin within 12 months of land acquisition. Land banking is not an eligible HOME activity.

- (e) For homeownership projects, an appraisal showing the Opinion of Value or Appraised value of homes to be developed. This evidence must be in accordance with the FHA 203(b) limits found on HUD's website at <https://entp.hud.gov/idapp/html/hicostlook.cfm>.

T-#7: Evidence demonstrating the Need for the subject development in the geographic area in which it is proposed. To satisfy this requirement, applicants must complete Section V Part G of the application form and include:

- (a) Evidence of **Community Support** for the project as evidenced by written letters of support from the local government, community council(s), and non-profit organizations located in the project area whose clients will likely benefit from the project.
- (b) A **Project Market Study** is required for all applicants not engaging in homeownership activities. The Study must meet AHFC requirements and be performed by a qualified independent market study analyst (must be on AHFC's list of approved analysts), which evidences the demand for the project's units within a reasonable rent-up period. Go to www.ahfc.state.ak.us under the down load section and look for the GOAL program, to view market study requirements. **APPLICANTS MUST SUBMIT TWO (2) COPIES OF THE MARKET STUDY.**

The only exception to this threshold requirement is for projects that meet all of the following criteria:

- The project proposes no more than eight units;
- The project will not utilize Low Income Housing Tax Credits;
- The project will not involve an addition of rental units to the community. Example of such projects may include rehabilitation, acquisition and/or reconstruction of existing rental units;
- The project will not result in a substantial increase in rent charged to current tenants or a reduction in size or quality of existing unit(s);
- The current unit(s) to be replaced or rehabilitated can demonstrate a history of three years of occupancy with a 5% vacancy rate or less; and
- The project will not involve or result in the permanent displacement of current residents.

Projects which meet these criteria may submit information that provides evidence all criteria are met as a substitution for the market study. However, please note if this substitution is elected, the project will not be eligible for any points under the "need" evaluation criteria.

- (c) In place of a Project Market Study, homeownership applicants must submit a **Land Inventory Chart** in the GOAL application form. Please note the FHA 203(b) after construction maximum appraisal values when listing potential properties. These limits can be found at <https://entp.hud.gov/idapp/html/hicostlook.cfm>.
- (d) In addition to the Market Study, Denali Commission Elder

Housing Fund applicants must submit a Community Plan that clearly delineates the need for senior housing as a priority for the affected community(s).

- T-#8: A **Management Plan** which in AHFC's opinion adequately demonstrates the ability of the recipient to manage the proposed project (satisfied by adequately answering the questions in Section V, Part F of the Application form). Not applicable for homeownership projects.
- T-#9: For homeownership projects must choose to implement a resale or a recapture option for the project. All resale and recapture provisions must be in accordance with 24 CFR Part 92.254.

Recapture Provisions: Under the recapture option if the homebuyer chooses to sell the house at whatever price the market will bear then a portion of the HOME assistance will be returned to AHFC. Of the direct subsidy assistance, up to \$10,000 will be provided as a forgivable loan pro-rated by month over five years. Any remaining HOME assistance will be due at time of sale, in addition to any of the pro-rated portion of the loan that has not been forgiven. If the homebuyer does not remain an owner-occupant of the property, the entire portion of the HOME assistance will be returned to AHFC with thirty days of move-out.

The resale option ensures that the unit will remain affordable throughout the entire affordability term. If the resale option is chosen the minimum affordability period is 10 years, unless other HOME funds through the HOME Opportunity Program are provided to the unit. If the amount of HOME funds from all programs exceeds \$40,000, then the minimum period of affordability is 15 years. If the applicant chooses a resale affordability period for 20 years or more then they are eligible for points in Section IV Part B. Affordability must be enforced through a resale restriction that requires any sale of the unit during the affordability period to meet the following restrictions:

- a) The new purchaser must be low-income, meeting the HOME program definition, and occupy the property as the family's principal residence. If the homebuyer does not remain an owner-occupant of the property, the entire portion of the HOME assistance will be returned to AHFC with thirty days of move-out.
- b) The sales price must be affordable to the new purchaser. A sale is affordable when no more than 32 percent of the new purchaser's income is used to pay the fixed costs of owning a home (that is, loan payments of principal and interest, taxes and insurance, generally called PITI), or all housing expenses (including PITI,

land lease or dues, utility expenses and a reasonable maintenance reserve) do not exceed 40 percent of the new purchaser's income. Another program-wide definition of an affordable sale may be proposed in writing by the applicant and considered for approval by AHFC. The current HUD income limits for households at or below 80% of the median income by family size can be found at <http://www.huduser.org/datasets/il/il106/>.

- c) The original homebuyer, now the home seller, must receive a fair return on his or her investment. Fair return must be at least the amount of the homebuyer's initial investment in the purchase, but may also include, for example, part of all of any appreciation that might accrue. The definition of fair return and the proposed resale formula must be approved by AHFC in advance, and maybe based on a definition proposed by the applicant.
- d) Deed restrictions, land covenants or other similar legal mechanism must be used to enforce these resale restrictions

If the resale option is chosen, please address how the organization will meet these restrictions (T-9# a,b,c,d) under Section VIII: Homeownership Development Supplemental Information in the application.

Note: A presumption of affordability can be made if there is specific evidence that the neighborhood is affordable and that, therefore, any sale within that neighborhood will be affordable. However, in order to presume affordability additional documentation must be provided. Please contact the HOME Program Manager at 330-8275, if you have question regarding this provision.

T-#10: Execution and submission of the "**Disclosure of Other Application Consultant Participation**" form (see Section VI of Application form **ALL applicants must submit the "disclosure of other application consultant participation form" regardless of whether you are working on more than one application or not.). If it does not apply, write "N/A" on the form and sign it.**

T-#11: **Responsible "Bidder"**

AHFC must make a determination that the applicant/sponsor /owner is a "responsible bidder" based on AHFC's past experience with the applicant/sponsor or potential owner of the proposed project in compliance during the development or operation phases of a project.

T-#12: (For LIHTC applicants only) **Notification of Local Government Letter**

All applicants for LIHTC's must notify the local government of its intent by submitting the letter included in Section IX of the application and also attaching a copy of the comments received. If comments from the local government have not been received by the application due date, applicant should submit evidence the local government received the request for comments (i.e. a United States Postal Service's certified return receipt, or a copy of the letter with a "received" date stamp from the local government, or other such official evidence.

T-#13 **Affirmative Marketing Plan**

All applicants for GOAL funds shall adopt affirmative marketing procedures and policies for all housing produced under this NOFA, in accordance with the State of Alaska's GOAL Program Rating and Award Criteria Plan. This affirmative marketing plan shall include the following:

- a. Methods for informing the public, owners and potential tenants about fair housing laws and the owner's policies regarding compliance with fair housing laws. Homeownership projects must include practices regarding equal opportunity lending practices.
- b. A description of what the owner will do to affirmatively market housing assisted with GOAL funds.
- c. A description of what owners will do to inform persons not likely to apply for housing without special outreach. Based on historical data for the HOME program, the groups least likely to apply are persons who are minorities such as Hispanic, Black, and Asian or Pacific Islander, people who have Limited English Proficiency (LEP) and persons living in rural communities in the State.
- d. A description of how the owner will maintain records documenting actions taken to affirmatively market GOAL - assisted units and to assess marketing effectiveness.
- e. A description of how the owner's affirmative marketing efforts will be assessed and what corrective actions will be taken where requirements are not met.

T-14# **Financial Statements** as follows:

Non-Profit Organizations: Most recent audited financial statement, or unaudited financial if no audited are available for previous six-months.

For Profit Organizations: 2005 Corporate Federal Income Tax Return; Current Balance Statement and Profit and Loss Statement for period ending June 30, 2006.

Individual Applicants: 2005 Personal Federal Income Tax Return; Completion of Section IV, Part B of Application Form.

(II) Supporting Application Material

Failure to provide the supporting information below will not result in disqualification from funding consideration. However, it may significantly impact the points which the application will earn in the rating review process, and in certain cases, may impede AHFC's ability to award one or more of the specific sources of available funds/tax credits to the applicant.

- (1) **Resumes of Key Development Participants** including:
 - (a) Applicant's Key Management Staff;
 - (b) Applicant's Corporate Principals (if applicable);
 - (c) General and Limited Partners;
 - (d) Applicant, if a private individual;
 - (e) Developer, General Contractor, Architect, and Engineer(s)
- (2) **Photographs of the subject site, adjacent properties and street view**, appropriately identified (not applicable for homeownership projects).
- (3) **Local Street Map** which identifies the location of the property within the boundaries of the city, borough, or general area in which it is located (not applicable for homeownership projects).
- (4) **Subdivision Plat** which identifies the subject site and adjacent sites within the immediate area (not applicable for homeownership projects).
- (5) **Evidence of Acceptable Zoning**, or if not currently zoned appropriately, a statement regarding the applicant's plans and timing to obtain proper zoning (for homeownership projects please include this information in the Land Inventory Chart T-7#).
- (6) For HOME and DCEH Projects, all **Site Environmental Evidence** identified in Section VII, Part A.
- (7) **Schematic drawings** of proposed project (construction, rehabilitation, or improvement plans). Homeownership projects are required to submit drafts of available house schematics or plans.

- (8) **Evidence of the commitment of any development or operational contributions qualifying as “Match” or Leverage funds. Applicants must fill out the required "match/leverage" forms to receive points in this category** (see the “Match” supplement enclosed with this NOFA package for eligible “Match” contributions and calculation methods).
- (9) If tenants will pay any portion of the utilities other than telephone, the utility allowance schedule that will be used for this project, identifying which utilities tenant will pay. If Utility Company Data is used and it is lower than the utility cost identified in the Utility Allowance Schedule included as part of this NOFA package, **historical data from the utility company** must be provided (not applicable for homeownership projects).

C. EVALUATION CRITERIA

All applications will undergo a threshold review. Applications that pass the threshold review will be evaluated by an evaluation review committee. Both the threshold review and evaluation criteria are discussed in detail in the *Rating and Award Criteria Plan* (also referred to as the “Qualified Allocation Plan”, or QAP). A copy of this Plan is included as part of this NOFA package and is available on AHFC’s website.

D. SELECTION OF PROPOSALS TO BE FUNDED & FUNDING LEVELS

The selection of proposals to be funded is discussed in the *Rating and Award Criteria Plan* (also referred to as the “Qualified Allocation Plan,” or (QAP). A copy of this Plan is included as part of this NOFA package and is available on AHFC’s website.

For any allocation of Low-Income Housing Tax Credit that is made outside the priorities and selection criteria established by AHFC in the allocation plan, a written explanation will be made available to the general public, upon request.

E. REQUIRED APPLICATION SUBMISSION FORMAT

Each project shall have one (1) original application which contains both Section 1 and Section 2 as described below in the section E1 titled **FOR THE ORIGINAL APPLICATION ONLY.**

and

Four (4) copies of the application packet intended for the review committee as described below in the section E2 titled **FOR THE FOUR COPIES OF THE PACKET FOR THE REVIEW PANEL ONLY**

E1. FOR THE ORIGINAL APPLICATION ONLY

The original should be separated into two sections bound together so that the material will not fall apart.

NOTE A CHANGE FROM PREVIOUS GOAL NOFA's: Use a cardboard binder (such as the ACCO USA #25973 or similar product) that contains a two part metal fastener (such as the ACCO Paper Fastener or similar product) on the left margin of the document. Submittals are limited to a stack height of three (3) inches. Three ring binders are NOT to be used for the ORIGINAL application.

The first section of the original application binder shall contain the following information, as applicable:

1. The Completed Application Form (T-#1, #8, #10 and #11)
2. Authorizing Resolution from Governing Board (T-#2)
3. Evidence of legal Organizational structure (T-#3)
4. Evidence of site control (T-#4)
5. Displacement and Relocation Assistance Requirements (if applicable) (T-#5)
6. Market Study (T-#7) – AND two (2) additional copies outside the binder
7. Homeownership Resale Formula (if applicable) (T-#9)
8. Local Government Notification Letter (T-#12)
9. Affirmative Marketing Plan (T-#13)
10. Financial Statements (T-#14)
11. Evidence supporting community revitalization effort (if applicable)
12. Back-up documentation supporting claims for "match" and "leveraging" points (optional item for more points).
13. Community Plan for Applicants applying for or willing to accept DCEH funds (T-#7)

The second section of the original application binder shall contain all the following:

1. A printed copy of the AHFC feasibility EXCEL worksheet, with disk (T-#6).
2. Material supporting the feasibility and viability of the project under the Supporting Development and Operation Data criteria of the rating (T-#6).
3. Material supporting the applicant experience in developing and/or constructing similar type rental housing projects in Alaska.
4. Material supporting the applicant experience in rental housing ownership and/or management and operation.
5. Documentation showing community support (T-#7).
6. Material supporting the effectiveness and quality of the proposed Job Training Program
7. Material supporting the Innovative Project Design criteria of the rating.
8. Any of the optional supporting items (1-9) listed in (II) Supporting Application Material on page 12 of these instructions.

Tabs, appropriately labeled to identify that section's contents, should be placed between each item. No application (both sections) can exceed the 3 inch stack height. Applications that exceed this space requirement may be rejected or may have material removed prior to panel review.

E2. FOR THE FOUR (4) COPIES OF THE PACKET FOR THE REVIEW PANEL ONLY

The purpose of separating out the material into two different packages is so that the review panel only gets the material that is relevant to their review of certain criteria.

THIS SECTION DESCRIBES THE PACKET THAT WILL GO TO THE REVIEW COMMITTEE

The packet should be bound together (no Comb binding) so that the material will not fall apart. Three ring binders with ample room for pages to be easily turned are preferred and are limited to a 3 inch standard binder.

1. The Completed Application Form (**Same as Original Binder, Section 1**)
2. A printed copy of the feasibility EXCEL worksheet (**Same as Original Binder, Section 2**)
3. Material supporting the applicant experience in developing and/or constructing similar type rental housing projects in Alaska. (**Same as Original Binder, Section 2**)
4. Material supporting the applicant experience in rental housing ownership and/or management and operation. (**Same as Original Binder, Section 2**)
5. Material supporting the feasibility and viability of the project under the Supporting Development and Operation Data criteria of the rating. Including evidence of all "matching" and "leveraging" funds proposed from Original Binder Section I. Selections from the market study may be used as additional support for operation expense and revenue estimates. (**Same as Original Binder, Section 2**)
6. Material supporting the effectiveness and quality of the proposed Job Training Program (**Same as Original Binder, Section 2**)
7. Material supporting the Innovative Project Design criteria of the rating. (**Same as Original Binder, Section 2**).
8. Documentation showing community support (**Same as Original Binder, Section 2**).
9. Any of the optional supporting items (1-9) listed in (II) Supporting Application Material on page 12 of these instructions (**Same as Original Binder, Section 2**).

**IF YOU HAVE ANY QUESTIONS ON THIS APPLICATION FORMAT CALL
Roberta Landgren AT 330-8277 OR 1-800-478-2432**

F. MARKET STUDY REQUIREMENTS

In accordance with Threshold Item T-#7 for development applications, unless projects meet the one exception, applicants **must** supply a "Project Market Study" which evidences the demand for the project within a reasonable rent-up period which is supported by a rent-up reserve fund. All market studies must be performed by an individual or firm listed on AHFC's "Approved Market Study Firms" list. **NO MARKET STUDIES WILL BE ACCEPTED IF THEY PREPARED BY A FIRM OR INDIVIDUAL THAT IS NOT ON THE LIST BY THE END OF THE APPLICATION PERIOD.**

A list of firms and the standard format and information required for the market study is

available from AHFC via the website www.ahfc.state.ak.us under the “download section” of the webpage. Or you may request a copy from Roberta Landgren at rlandgre@ahfc.state.ak.us, 1-800-478-2432 or 907-330-8277.

If an applicant wants to use a firm that is not currently on the “approved list,” they must apply and be accepted before the October 31, 2006 application deadline.

For rehabilitation projects, a capital needs assessment is required. This document shall be prepared by an architect, engineer or another professional who is qualified to do an assessment of code requirements, and need structural, mechanical or electrical improvements. The property must be rehabilitated in a manner that insures the useful life of the project will exceed the compliance period for the project.

G. PUBLIC INTEREST DETERMINATION

Projects which are proposed to receive GOAL program funding must be determined to be in the public interest. For the purpose of the GOAL program, an application will be determined to meet the public interest test if it meets the Notice of Funding Availability (NOFA) application requirements, including the Application Instructions, Rating and Award Criteria Plan, and program criteria identified within the GOAL Program Summary. These include, but are not limited to, the following:

1. Eligibility of the applicant to receive the funds requested.
2. The application meets the Threshold Requirements identified in the Application Instructions. Also, that it earns the minimum number of points required in the rating process.
3. The funding provided is not more than is necessary to result in a financially feasible development. This "subsidy layering review," includes other funding sources committed to the project, and loan funds which are known to be available, and which would reasonably be expected to support the development based on anticipated revenue and expenses. AHFC reserves the right to adjust the applicant's projected revenue and expenses based on an underwriting review completed by AHFC.
4. The project can be reasonably expected to be acquired, and/or begin significant construction or rehabilitation activities, whichever is applicable, during the twelve months following the award of funds.
5. The project does not primarily further a private interest at the expense of the criteria identified above.

FY 2007 GOAL PROGRAM APPLICATION CHECKLIST

Return this checklist with your response to this NOFA

	Application Content Checklist	Check Box for Inclusion & Completion
1.	One (1) original application with two sections organized as described on page 17 of the Instructions	
	The Application Form is filled out completely and signed. <u>Note: The original application must be signed by the applicant(s) or the application will be rejected.</u>	
	Tabs separate material in the original application binder and review committee packets.	
	Market study is in the application binder. N/A for homeownership projects.	
	Two additional copies of the Market study OUTSIDE the binder. N/A for homeownership projects.	
	All Threshold items (T-#1-T#14), as applicable, are located in the appropriate section of the original application binder noted on pages 17-19 of the Instructions.	
2.	Four (4) copies of the review committee packet are included and organized as described on pages 17-19 of the Instructions	
3.	All backup evidence for the rating criteria for applicant experience, community support, project feasibility (Supporting Development and Operation Data), Innovative Design, Job Training is in the review committee packet	

FAILURE TO FOLLOW THE FORMAT SPECIFIED IN THESE INSTRUCTIONS ON PAGES 17-19 OF THE 2007 GOAL PROGRAM APPLICATION INSTRUCTIONS MAY RESULT IN THE DISQUALIFICATION OF THE APPLICATION